



# Onondaga County Legislature

**JAMIE McNAMARA**  
Clerk

**JAMES J. ROWLEY**  
Chairman

**TAMMY BARBER**  
Deputy Clerk

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**WAYS & MEANS COMMITTEE REVIEW OF THE 2024 TENTATIVE BUDGET**  
**CFO INTRODUCTION TO THE 2024 BUDGET**  
**BUDGET REVIEW DAY 3 – SEPTEMBER 19, 2023**  
**BRIAN F. MAY, CHAIR**

**MEMBERS PRESENT:** Mr. Ryan, Mr. Burtis, Ms. Abbott, Mr. Knapp, \*Mr. Kinne, Mrs. Ervin  
**ALSO ATTENDING:** Chairman Rowley, Ms. Gunnip, Ms. Cody, Ms. Kuhn, Dr. Chase, Mr. Olson, Mr. McCarron, Mr. Bush, Dr. Kelly, Mr. Garland; also please see attached

Chair May called the meeting to order at 9:38 a.m.

**CFO INTRODUCTION TO THE 2024 BUDGET:** Steve Morgan, Chief Fiscal Officer

2024 Budget Introduction and Presentation



- Projecting surplus in 2023; \$190M fund balance; strong credit ratings (AA2 with Moody's, SMP at AA stable); solid bond ratings – able to sell bonds at competitive interest rate
- Fiscal stress score from NYS Comptroller
  - Waiting on 2022, but expect it to be in line with 2021, which was the best score at zero
  - Zero designates no stress and not susceptible to stress
- Cash balances at all-time high
- Interest rate – allowing to fund some of next year's budget, part of spinning up surplus
- Baseline approach
  - The reason for where county is fiscally
  - Allocating resources necessary for departments at next year's costs to continue current service levels
  - Fill baseline and include all costs necessary including labor agreements, utilities, supplies & materials, mandates
  - Invested in onetime expenses to drive economic activity and revenue to fund baseline operations on long-term basis
  - Following year, onetime expenses do not carry over; able to use that and growth in revenue to fund next year's baseline growth
- Cash balance is high and county is using pooled investment strategies (NY Class and Mutiny Trust) to put it to work
  - Pooling resources from multiple municipalities and investing it for strong returns
- Thank staff in Finance:
  - Ms. Kristi Smiley has filled in and replace Mrs. Tara Venditti; second budget cycle
  - Mr. Jason Dean oversees mechanical part of budget and putting it together
  - Mrs. Taviot Hughes oversees operational finance
  - Mr. Don Weber, Real Property Tax Director
  - Mr. Aaron Kohler oversees county's cash and investments

## Multi Year Projection General Fund

	2022 Actual	2023 Projected	2024 Executive	2025 Projected	2026 Projected
Total Revenue	\$913,425,631	\$952,807,322	\$962,525,520	\$971,618,278	\$983,561,728
Total Expenses	\$924,427,982	\$921,602,320	\$962,525,520	\$970,668,715	\$982,954,613
Fund Balance	\$0	\$3,262,555	\$0	\$0	\$0
Local Dollars	\$11,002,351	\$(34,467,557)	\$0	\$(949,563)	\$(607,115)

- 2022
  - \$60M operating surplus driven by sales tax and continued enhanced revenue from feds for Medicaid
  - Used \$11M from fund balance
  - Invested \$70.5M in onetime expenses in 2022
  - Almost replaced all fund balance used in 2022
- 2023 projection
  - In line with what was brought over previously
  - Main driver on revenue is sales tax, continues to be strong
  - Savings on salary lines – more success on filling positions
  - Residual savings for Medicaid, which is running out this year
  - \$34.5M surplus
- 2025/2026 – keeping property tax levy flat and conservative sales tax
- Baseline budget growth in salaries and fringe; minimal increase to mandates (hoping will be stable), but area of concern

## 2024 General Fund Major Expense and Revenue Changes

### Appropriations

<b>Salaries</b>	<b>\$6,903,405</b>
<b>Benefits</b>	<b>\$9,140,698</b>
<b>Contractual Expenses</b>	<b>\$7,696,973</b>
<b>All Other</b>	<b>\$4,803,499</b>
<b>Mandates</b>	<b>\$31,052,697</b>
Legal Defense	\$10,978,063
Foster Care	\$8,382,582
Medicaid	\$6,887,233
Day Care	\$3,778,851
Other Temporary Assistance Programs	\$1,025,968
<b>2023 One Time Initiatives Coming Off</b>	<b>\$(31,450,000)</b>
<b>2024 One Time Initiatives</b>	<b>\$8,000,000</b>
<b>Sales Tax Distribution</b>	<b>\$4,705,508</b>
<b>Baseline Additions</b>	<b>\$1,296,982</b>
<b>Appropriations Total Increase :</b>	<b>\$42,149,762</b>

- Numbers are variances, not full dollar amount of spending categories

# Salaries

Labor Agreements	\$4,877,299
Management Confidential	\$765,279
Regular Salary and Wage	\$515,730
Overtime Wages	\$360,913
Other Employee Wages	<u>\$384,184</u>
<b>Total Salary Increase</b>	<b>\$6,903,405</b>

- Includes all labor agreements, wages and tentative CSEA agreement approved at Ways and Means last week with assumption it moves through full legislature
- Baked in 3% bump in salaries for Management Confidential
- Regular salary and wage including normal annual steps – 4 steps in CSEA and 20+ steps in MC
- Overtime and other is up as result in wage increases

# Employee Benefits

	2023 Adopted	2024 Executive	
Health Insurance	\$67,047,972	\$73,976,093	10.3%
Dental Insurance	\$2,415,712	\$2,415,712	0.0%
Retirement	\$30,071,693	\$33,609,698	11.8%
Workers Compensation	\$ 6,700,000	\$7,450,000	11.2%
Unemployment Insurance	\$255,442	\$255,442	0.0%
FICA	\$17,696,035	\$18,274,532	3.3%
Disability Insurance	\$700,000	\$700,000	0.0%
	<u>\$124,886,854</u>	<u>\$136,681,477</u>	9.4%
All Other Insurance Fund Expenses		\$3,856,460	
Total Expenses to Charge		<u>\$140,537,937</u>	
Less Non County Share		\$18,569,019	
Fund Balance		<u>\$6,000,000</u>	
County Charges to All Funds		<u>\$115,968,918</u>	
General Fund		\$88,076,276	75.9%
WEP		\$13,904,037	12.0%
MWB		\$250,000	0.2%
All Other		<u>\$13,738,605</u>	11.8%
		<u>\$115,968,918</u>	<u>100.0%</u>

* Health Benefits	2022 Actual	2023 Adopted	2023 Projected	2024 Executive	vs Adopted
OnPoint	\$41,633,580	\$45,257,364	\$44,668,199	\$46,698,829	3.2%
Medicare Advantage	\$5,712,083	\$6,690,752	\$6,550,340	\$10,792,658	61.3%
Prescription	\$17,576,247	\$18,275,719	\$19,047,347	\$19,574,446	7.1%
Prescription Rebates	\$(4,368,159)	\$(4,669,109)	\$(4,604,791)	\$(4,492,835)	-3.8%
Vision	\$447,206	\$451,685	\$443,533	\$444,972	-1.5%
Other ***	\$1,055,468	\$1,041,560	\$966,491	\$958,023	-8.0%
	<u>\$62,056,425</u>	<u>\$67,047,971</u>	<u>\$67,071,119</u>	<u>\$73,976,093</u>	<u>10.3%</u>

\*\*\* Indemnity Claims/NonClaim Surcharges/Covered Lives Assessment

- Health Insurance going up 10% (detail at the bottom of the slide)
  - OnPoint for active and pre-Medicare eligible retirees; expecting 3% increase
  - Medicare Advantage
    - County, city and city school district did joint RFP and secured competitive rate for Medicare Advantage
    - Retirees who are Medicare eligible are in Medicare Advantage
    - Not in contract for guaranteed rates in 2024 – current provider says there is a ~60% increase in rates
    - Rates dependent on federal government subsidies provided for the products
    - Looking to reduce the amount of increase by potentially moving to different provider
    - Medicare Advantage is experience rated

\*Mr. Kinne arrived at the meeting.

- Current provider jumped in with an aggressive rate to get business
- Opinion that maybe they are at a point of not getting the return as expected and rate increase is possibly the provider not wanting the business
- Personnel and Finance have been working with consultant to mute rate increase by moving to another provider
- Hoping to do by first of year
- Not just looking at rate, but also coverage; as well as working with 2 other partners
- Prescription benefits going up a little over 7%
- Overall increase 10% for fringe
- Retirement
  - Bill slated to go up almost \$4M
  - State Comptroller informed municipalities that participation and payment (based on percentage of active salaries) is going up from 13% to 15%
  - Believe the bill will be just shy of \$4M more in 2024
  - State Comptroller increase based on assumed rate of return on NYS retirement is complex
    - Assumed rate of return for last state fiscal year was 5.8%
    - It ended at negative 4.4%
    - If it continues, then continued pressure in budget
    - Stabilized for years, but seeing pressure with volatility of market and state retirement having negative return
- FICA
  - Based on increased wages, payroll taxes
- Using \$6M in insurance fund balance to blunt increases
  - Half of what was used the last few years
  - Fund balance is leveling out
  - Hopefully will have the same amount for 2025
- ~\$116M allocated to funds and charges to general fund, sewer fun, water fund
- \$88M is the \$9M above this year's amount
- Current Medicare Advantage provider is United Health Care

## Contracts

- Correctional Health Contract and Offsite Mental Health Services
- State Funded Mental Health Contracts
- Contracts Funded by Room Occupancy Tax

- Main pressure is correctional health contract/provider and offsite mental health services, which is ~\$4M of the increase
- State funded mental health is a \$2-\$3M increase, but there is state revenue that offsets it
- Projecting sizable increase in ROT collections for next year, which is increasing contracts spending out of ROT

## All Other

- Initiatives Funded by Room Occupancy Tax
- Other than Personnel Expenses
- Interdepartmental Expenses
- Debt Service

## 2024 ROT Distribution

	<b>2023 Adopted</b>	<b>2024 Executive</b>
Total ROT Distribution	\$8,720,700	\$12,000,000

- CNY ARTS - \$600,000
- Visit Syracuse - \$300,000
- Parks Hopkins Road Improvements - \$2,000,000
- Oncenter Subsidy - \$(250,000)

- Increase of \$3M due to ROT projections
  - Hospitality industry inching closer to pre-pandemic levels
  - Collecting 2% more in ROT
  - Started collecting 7% 2 years ago
- CNY Arts – projecting to get portion of increase; tied to total ROT
- Visit Syracuse – proposing \$300,000 increase as requested
- Hopkins Road Improvements
  - \$2M in next year’s ROT collections
  - \$3M in ROT surplus – will see resolution for appropriation of current ROT (\$6M surplus, using half)
  - \$1M in bond authorization still available for Hopkins
  - ~\$6M project
- OnCenter subsidy
  - Based on ASM and competitive process done recently for venue manager, proposed to cut subsidy by \$250,000
  - Subsidy request is \$1.25M along with \$250,000 for capital improvements
- Onondaga Lake Park – major capital improvement upgrading existing marina

- Not in budget; capital ask that will come over after budget (later this fall or early next year)
- Maintenance, Utilities & Rents, Supplies & Materials, and All Other operating lines – expected to grow with inflation

## Debt Service Summary – Countywide Debt Service

Department	2023 Charge to Operating	2024 Charge to Operating	Variance 2023 vs 2024
General Fund	\$29,771,847	\$28,227,121	\$(1,544,726)
Sewer Fund	\$33,355,525	\$34,726,540	\$1,371,015
Water Fund	\$3,239,474	\$3,188,279	\$(51,195)
<b>GRAND TOTAL</b>	<b>\$66,366,846</b>	<b>\$66,141,940</b>	<b>\$(224,906)</b>

- Service department budgets going up, which means interdepartmentals are going up
- Debt Service
  - Projecting from all funds to go down \$225,000
- Starting to see benefit of using cash instead of borrowing
- Infused \$10M in cash into DOT; not borrowing for 2023 road plan
- Took advantage of surpluses at year end instead of borrowing; starting to help level off and provide relief

## Mandates

**Legal Defense** – rates increased from \$60 an hour to represent misdemeanor defendants and \$75 for felony cases to \$158 for felony and misdemeanor cases

**Foster Care** – Case counts have risen 12.5% over the same time period last year and NYS approve rates continue to rise

**Medicaid** – FMAP reimbursement related to the Affordable Care Act and pandemic ending in 2024 and returning to the Statutory Cap amount

**Day Care** – expanded eligibility and allowing for increased paid absences to the Child Care Subsidy program

**Other Temporary Assistance Programs** – Safety Net and Emergency Assistance to Adults

- \$31M projected gross; some revenue on increased costs
- Legal defense
  - Mandate started in April 2023
  - Absorbing increase this year; budgeting next year
  - State funding handling half the increase
- Foster Care
  - Case counts risen almost 13%
  - Continue to see rate increases from state who sets rates for placements
  - Retained consultant to help get fresh look at process and resources investing to identify pinpoints and ability to have influence over them
  - Hope to make improvements in that area moving forward
  - Over \$8M gross increase in costs - partially pandemic, court backlogs, etc.

**Questions/Comments from the committee:**

- Past 2 budget cycles have increased foster care; did not realize the increase this year is a mandate
  - Mandate meaning kids that need the care have to be in care
  - Costs associated are not controlled by county, except maybe trying to reduce days in care, but not rates
  - State continues to recognize that the facilities and families need to be paid a competitive rate to care for the children
  - Bump in line with projection this year; hope to stop the bleeding and in 2024 make progress
  - Recognize it needs to be continually evaluated; hopes of determining if there are issues to be addressed
- Please be more specific about the consultant
  - Hired the consultant and started engaging, but will take some time
  - Expect by end of year will have workable analysis that identifies, or does not identify, what is in county's control
- This sounds like a systemic problem
  - Deputy County Executive:
    - Kids in foster care has increased across the state
    - With courts being closed, there is long backlog
    - Definitely is a pressure point with cases being heard in court moving children one way or another

Mr. Morgan continued his presentation:

- Medicaid
  - Expectation and understanding in 2024 will be back to paying statutory Medicaid cap amount
  - Been getting enhanced federal Medicaid reimbursement with adoption of Affordable Care Act (6-8 years ago)
  - ACA expanded Medicaid program to cover additional people without health insurance
  - Feds would pay for the expansion (singles and childless couples); NY expanded program and local delegation got feds to pay for costs; state told they have to share with counties due to counties sharing costs of Medicaid program
  - Relief in that area for many years – paying somewhere in the \$90M range
  - Statutory cap is \$105M
  - When pandemic occurred – feds did enhanced reimbursement due to pandemic, which ended this year for counties
    - State starting to phase in reduction of sharing aid with counties
    - First reduction now, and remainder of reduction next year
  - State saying counties are responsible for all growth in Medicaid because counties are capped; state privy to money
  - \$7M the county has to account for next year
  - Medicaid and money spent on education – 2/3 of state general fund
    - If those 2 areas not controlled by spending, there will be real pressure on counties
  - State balances budget on the backs of counties
- Day Care
  - Good thing with expanded eligibility, which will drive up day care subsidies
  - State raised eligibility level over 200%, acknowledging that child care is critical area for families to be able to work and provide
  - Policy changes with increase in paid absences if children cannot go – private pay is paid regardless
    - Subsidized is going to that private pay model, but money is being provided
  - Ton of federal and state dollars being put in
  - Can hold line with county contribution on program
- Safety Net and Emergency Assistance to Adults
  - Two combined is \$1M increase
  - Little pressure in Safety Net – believe it is a result of pandemic era programs evaporating and adding pressure

# One Time Initiatives

## 2023 One Time Initiatives Coming Off

Workforce Development Grants	\$(2,500,000)
Main Street Grants	\$(5,000,000)
Shape Up Program	\$(200,000)
Lead Programing	\$(5,000,000)
Youth Initiatives	\$(7,000,000)
Senior Initiatives	\$(1,000,000)
Blue and Green Initiatives	\$(2,500,000)
Technology Upgrades	\$(750,000)
Erie 21	\$(250,000)
Public Safety Initiatives	\$(750,000)
Challenger Field	\$(1,000,000)
81 Impact	\$(500,000)
Cash for Capital	<u>\$(5,000,000)</u>
<b>Total</b>	<b>\$(31,450,000)</b>

## 2024 One Time Initiatives

Flexible Lead Funding	\$2,500,000
Workforce Development	\$1,500,000
Neighborhood Initiatives	\$2,000,000
Municipal Comprehensive Plans	\$1,000,000
Childcare Center Capital Grants	\$750,000
Erie 21	<u>\$250,000</u>
<b>Total</b>	<b>\$8,000,000</b>

- \$31M of onetime expenses coming off and paying for the mandate increases
- Workforce Development – adding to \$2.5M appropriated this year; with Micron coming and needing workforce
- Municipal Comprehensive Plans – adding to money approved by Legislature this year
- Childcare Center Capital Grants
  - More support for childcare centers to help continue to provide daycare services and help with capital improvements their budgets do not allow for
- Erie 21 - Lemoyne College program

# Baseline Position Additions

<b>Positions</b>	<b>Net New Funded</b>	<b>Amount</b>
Diversity - One Stop Shop	4	\$ 131,763
Law - Family Court and New Salary Schedule	3	\$ 357,217
Facilities - Building Maintenance	4	\$ 187,351
Veterans - PACT ACT	1	\$ 73,798
ALTC - APS Caseloads	2	\$ 104,356
Health	2	\$ 224,314
Sheriff	2	\$ 173,124
Personnel	1	\$ 45,059
<b>Total</b>	<b>19</b>	<b>\$ 1,296,982</b>

- \$1.3M to add to baseline, which is all in staffing; increase funded positions by 19
- Law Department
  - 3 new positions to represent in Family Court
  - New Attorney schedule for Law Department
    - In 2023, the Legislature approved new salary schedule for DA, which did not include Law attorneys
    - Previously implemented new schedule for DA that included attorney’s in the Law Department
    - Had to address issue with pay for county attorneys; value of \$200-\$300,000/year for filled positions

- Provided new schedule in personnel resolution
- Adult and Long Term Care – adding 2 caseworkers to handle increased caseloads with aging population

**REQUEST: How much the county spends in outside legal fees**

## 2024 General Fund Major Expense and Revenue Changes

**Revenue**

<b>Levy</b>	<b>\$ (9,029,424)</b>
<b>Sales Tax</b>	<b>\$22,596,290</b>
<b>State Aid</b>	<b>\$9,485,846</b>
<b>Federal Aid</b>	<b>\$10,380,121</b>
<b>Other</b>	<b>\$8,716,929</b>
<b>Revenue Total Increase:</b>	<b>\$42,149,762</b>

- Levy
  - Proposing to reduce levy by \$9M, combined with assessed value growth of 14%, allowing administration to bring tax rate from \$4.26/thousand this year to \$3.62 next year
  - With the level of assessed value increase, county could increase property tax levy by \$17M and keep tax rate flat
  - County fiscal position strong and desire to give tax relief in next year’s spending plan
  - Equates to \$128-\$130/assessed home
- Sales tax
  - Gross amount based on 2% growth this year and 1% next year
  - Credit card debt at high levels and delinquency ticking up on car loans – fear at some point there will be slow down
  - People cannot continue to overleverage to survive
  - No reason to be over aggressive
- State and federal aid going up based on some reimbursement for increased mandates

## All Other

- Room Occupancy
- Interest and Earnings on Investments
- City Abstract

- Interest and earnings on investments
  - Investing cash in high return investments; over 5% investments
  - Helping to balance and provide surplus this year, and helping balance next year

- Anticipate feds holding steady on rates and maybe cutting in Q2 next year
- Providing level of support in next year’s spending (~2.5M)

## 2024 City Abstract Charges

	2023 Adopted	2024 Executive	2024 Chg vs 2023	2024 % vs 2023
City of Syr. % OF Tax Levy	16.32%	16.10%		-1.4%
City Apportionment	\$25,340,078	\$23,541,472	\$ (1,798,606)	-7.1%
Public Safety Building	\$1,294,578	\$1,684,549	\$389,971	30.1%
Custody	\$7,404,589	\$9,536,524	\$2,131,935	28.8%
Planning	\$1,101,635	\$134,010	\$(967,625)	-87.8%
Children & Family - Youth	\$200,840	\$363,105	\$162,265	80.8%
Adult & LTC - Aging	\$25,000	\$25,000	\$0	0.0%
OCPL Branches	\$5,844,159	\$6,196,897	\$352,738	6.0%
Center for Forensic Science	\$2,069,365	\$2,131,446	\$62,081	3.0%
New Criminal Courthouse	\$1,046,059	\$902,455	\$(143,604)	-13.7%
Hire Ground	\$250,000	\$250,000	\$0	0.0%
Uncollected Charge	\$384,725	\$424,480	\$39,755	10.3%
City Collection Fee	\$449,610	\$451,899	\$2,289	0.5%
<b>Abstract Charges</b>	<b>\$20,070,560</b>	<b>\$22,100,365</b>	<b>\$2,029,805</b>	<b>10.1%</b>
<b>Grand Total</b>	<b>\$45,410,638</b>	<b>\$45,641,837</b>	<b>\$231,199</b>	<b>0.5%</b>

- City apportionment down almost \$2M with cutting levy
- Services shared and provided – charges going up
  - Main driver is custody as result of DSBA settlement, which happened after 2023 budget adopted

## 2024 General Fund Major Expense and Revenue Changes

<b>Appropriations</b>	
Salaries	\$6,903,405
Benefits	\$9,140,698
Contractual Expenses	\$7,696,973
All Other	\$4,803,499
Mandates	\$31,052,697
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Sales Tax Distribution	\$4,705,508
Baseline Additions	\$1,296,982
<b>Appropriations Total Increase :</b>	<b>\$42,149,762</b>
<b>Revenue</b>	
Levy	\$(9,029,424)
Sales Tax	\$22,596,290
State Aid	\$9,485,846
Federal Aid	\$10,380,121
Other	\$8,716,929
<b>Revenue Total Increase:</b>	<b>\$42,149,762</b>
Local	\$0

- Take out one times and baseline additions, baseline growth is \$64M – not sustainable
- Baseline approach allowed county to absorb the baseline growth, provide meaningful tax relief, add to base in strategic areas in departments, and invest onetime initiatives

- Approach works and allowed county to come out of pandemic stronger than ever
- If another sizeable shift of expenses to counties comes from state and/or feds, and economy tanks, there will be additional pressures going forward

**Questions/Comments from the committee:**

- Elaborate on revenue on earnings on investments (2.5-5%)
  - Always invested money – includes any excess in funds and cash not needed for current obligations
  - Cash influx with pandemic allowed county to increase cash and invest dollars; do not need for operation costs
  - Allowed county to invest \$100s of millions in pooled investments that a lot of municipalities use
    - Entity takes money, combines and invests
    - Both funds are pulling over 5%
  - New world as the county has never had this level of cash
  - Strong cash position and taking advantage of it; helping fund government
  - Will see what feds do with rates
- Would there be an opportunity to lock in more?
  - Will wait and see; pooled investments are high yield and liquid – can get money out tomorrow
  - Waiting to see what federal government does in terms of rates
  - If sense rates have topped out, will send money long term to lock in higher rates
- The county previously was taking out bonds and refinancing bonds at ~2%
  - Lower than that; had refinances in the 1% range
- There was some pushback and some in opinion to take what the county could get with an unknown future
  - Expect to pay more on borrowing, but got over 3% on sale this year; twice as much as year before; still competitive
- In the projections for 2024, 2025 and 2026, is it assumed at 1% sales tax growth over the budgeted amount?
  - 2%
- Is property tax flat?
  - Yes
- During the pandemic, this body voted to cap tax on gasoline at \$0.12/gallon; is the county back to a percentage?
  - Yes, that fell off at the end of June
- The city opted out of the (cap tax on gas) program; did the county settle with the city? If so, how much was it?
  - Not sure it is something the can be done unilaterally
  - The legislation was tied to how the county ended its year in sales tax
- With gas prices rising, it seems like costs and expenses will go up; is there an anticipation of sales tax windfall?
  - Took that into consideration when analyzing growth
  - Any upside from price of gas will be blunted by consumer not having more money to spend
  - Balancing act, as consumers have to fill cars
  - With the elimination and use of pandemic era savings from people not having to leave their house or do anything, national numbers shows excess savings are gone
  - As consumers discretionary dollars gone, will see spending by consumers slow down
- Couple years ago, the state put in provision to take a couple million dollars of sales tax from counties to fund things
  - One was to fund AIM payments, which was undone
  - Second was for distressed hospitals
    - Governor Cuomo was in office dancing around Medicaid cap, but went route of taking sales tax for distressed hospitals; that is also gone

**REQUEST: List of all the contracts concerning ROT**

- Legislature will be requesting a list of all contracts as part of the process
  - Typically provide ROT funded spending, as well as estimated contract values for Human Service Departments
  - Concern that those are far from final
- Have learned the past couple years that there are good things to make a part of this process and other things that are not a good idea, as they are not in the purview of the Legislature and decision making process with the budget
  - Legislative Staff:
    - Helpful to have services the county provides versus actual individual contracts
    - Mental health services and what the county has dedicated to it vs. individual contracts, as they can change
    - Not a lot of value in individual breakdown; does not wash out that way
- Room Occupancy Tax
  - Will provide one pager that shows what the administration is proposing for ROT and contracts
  - Some is contracts, some is straight subsidies

**REQUEST: Breakdown of state and federal aid money showing where it is coming in, and where it goes year to year**

<b>2024 WEP Fund</b>	
<b>Major Expense and Revenue Changes</b>	
<b><u>Appropriations</u></b>	
<b>Salaries</b>	<b>\$1,497,916</b>
<b>Benefits</b>	<b>\$3,368,622</b>
<b>All Other</b>	<b>\$3,194,758</b>
<b>Debt Service</b>	<b>\$1,371,015</b>
<b>Appropriations Total Increase</b>	<b>\$9,432,311</b>

- Salaries and benefits – labor agreements, steps, bump for MCs

<b>All Other</b>
• Increased cost of wastewater treatment chemicals
• Alternative means of biosolids removal and sludge hauling

- Increased costs for chemicals and biosolids disposal – currently asking for transfers for 2023 and continuing next year
- Debt service – also providing pressure as county continues to borrow on needed improvements and investments
- Numbers are deltas which are changes over 2023 adopted budget

## 2024 WEP Fund Major Expense and Revenue Changes

### Revenue

<b>Sewer Unit Charges</b>	\$1,964,730
Fund Balance	\$6,075,718
Other Miscellaneous Revenue	<u>\$1,391,863</u>
<b>Revenue Total Increase</b>	<b>\$9,432,311</b>

## Sewer Unit Charges

- Reduce gallons per unit from 110,000 to 105,000
- Increase unit charge by \$5.00 to \$453.58/unit from \$448.58/unit

## Fund Balance

\$11M of fund balance is appropriated in the 2024 budget

- In special revenue fund, should not carry huge fund balance
- Having to rely on it to balance the budget is a concern; will continue to monitor

## Other Miscellaneous Revenue

### Interest and Earnings on Investments

- Spread and allocate interest and earnings across funds based on cash balances

## 2024 WEP Fund Major Expense and Revenue Changes

**Appropriations**

<b>Salaries</b>	<b>\$1,497,916</b>
<b>Benefits</b>	<b>\$3,368,622</b>
<b>All Other</b>	<b>\$3,194,758</b>
<b>Debt Service</b>	<b>\$1,371,015</b>
<b>Appropriations Total Increase</b>	<b>\$9,432,311</b>

**Revenue**

<b>Sewer Unit Charges</b>	<b>\$1,964,730</b>
<b>Fund Balance</b>	<b>\$6,075,718</b>
<b>Other Miscellaneous Revenue</b>	<b>\$1,391,863</b>
<b>Revenue Total Increase</b>	<b>\$9,432,311</b>

**Local** **\$0**

## Consolidated Revenues and Appropriations by Category Water Fund

	2022 Actual	2023 Adopted	2023 Modified	2024 Executive
Total Revenues	\$2,692,146	\$2,824,751	\$2,824,751	\$3,248,422
Total Expenses	\$3,571,155	\$4,424,751	\$4,424,751	\$3,573,908
Total Fund Balance	\$0	\$1,600,000	\$1,600,000	\$325,486
Local Dollars	\$879,008	\$0	\$0	\$0

- Water fund costs are legacy costs
  - Retiree health care, workers comp claims, debt service
- Fund balance shows what remains, so after 2024, there will be no fund balance in water fund
- OCWA will pay for whatever is left after the ad volarem tax levy that is still in water fund; ~\$1.6M
- In maybe a decade, there should not be a lot of costs in this fund if the agreement stays in place with OCWA

**Questions/Comments from the committee:**

- What does the small amount on a tax bill for water at \$8 or \$9 (for those that do not have water) add up to?
  - \$1.6M is tax levy in water fund that has been there forever
  - OCWA operates system

Chair May recessed the meeting at 11:03 a.m. The meeting reconvened at 11:25 a.m.

**CAPITAL IMPROVEMENT PLAN:** Rustan Petrela, Financial Analyst

**CIP 2024 -2029 Presentation**

Presented to CIP Committee on 09/08/2023

Presented to Planning Board on 09/20/2023

Planning Board adopted the resolution endorsing the CIP 2024-2029 on 09/20/2023

**As usually the focus of this CIP is on maintenance and environment (73% of funds). There are two projects extending sewer infrastructure. One of them increase the capacity of Oak Orchard WWTP and the other will provide municipal sewer expansion to White Pine/Rt 31 service area.**

**Comparative information**

**Scope of Plan**

**(\$ in Millions)**

	CIP 2023-2028	CIP 2024-2029	Increase/ Decrease	% Increase/ Decrease
Plan (\$)	\$1,186.6	\$875.6	-\$311.0	-26.2%
County Wide	\$440.8	\$390.3	-\$50.5	-11.5%
Sewer Fund	\$745.8	\$485.3	-\$260.5	-34.9%
Proposed Projects	66	53	-13	
New Projects	16	3	-13	

CIP 2009-14	\$757
CIP 2010-15	\$783
CIP 2011-16	\$822
CIP 2015-20	\$629
CIP 2020-25	\$662
CIP 2021-26	\$670
CIP 2022-27	\$892

**Main contributors for the decrease in County Wide Funds are:**

1. Last year there were 16 new projects (\$114M), 10 of which got authorized (about \$85M). OCC had 8 of these projects (\$74M).
2. This year we have 3 new projects for a total of \$20.2M

**Main contributors for the decrease in Sewer Fund are:**

1. Last year included \$220M for Oak Orchard major upgrade. This year we have only eng. funds.
2. Some of the requested funds from last year are authorized.

**CIP request for expenses in the upcoming year (Local funds only)**

	Total	Debt	Cash
Local Funds Requested last year for 2023	\$102	\$91	\$11
Local Funds Requested this year for 2024	\$167	\$161	\$6

**Percentage of debt limit exhausted is 21.52% (pg 23)**

**List of new projects for 2024 - 2029**

Pg.	Department	Project	Total cost	Our cost	Year
57	Facilities	Erie Canal Museum Rehabilitation and Repairs	\$1,300	\$1,300	2024
65		War Memorial Upgrades	\$5,210	\$5,210	2024
78	Parks	Onondaga Lake Park Marina Expansion & Rehab.	\$13,700	\$13,700	2024
<b>TOTAL COST OF NEW PROJECTS for 2024 - 2029</b>			<b>\$20,210</b>	<b>\$20,210</b>	

- Erie Canal Museum – \$1.3M
  - Project done in 2024
  - Rehab and improvements in exterior and interior

- Masonry where barge sits, retaining wall to be repaired
- Structural repairs inside including rafters and joists to be reinforced and repaired
- HVAC improvements and entrance improvements
- Study done
- Money is for engineering (\$130,000) and construction (\$1.17M)
- War Memorial
  - Take out moveable and collapsible seating
  - Put in permanent structure made of steel; decking made of aluminum; chairs made of durable material
  - Only part that will be movable is where stage gets installed
  - Change to new sound system
- Onondaga Lake Park Marina
  - Extend capacity of marina; build docking for temporary users
  - Currently all docking occupied by those with permits all summer; no room for temporary
  - Fuel station, new lighting, new power and new retaining wall made of metal
    - Current wall made of large stones – cannot be repaired
    - Will insert metal sheeting behind wall and anchored to ground creating permanent wall; existing wall will stay
  - Expand parking area
  - \$13.7M; engineering done for retaining wall, as well as the rest of the scope

**Capital Spending by Fund  
(In millions)**

	General	Sewer	Total
2023-2028 CIP	\$440.8	\$745.8	\$1,186.6
2024-2029 CIP	\$390.3	\$485.3	\$875.6

**In %**

	General	Sewer	Total
2023-2028 CIP	37.1%	62.9%	100.0%
2024-2029 CIP	44.6%	55.4%	100.0%

**Funding Sources (General Fund)**

	Borrowing	State Aid	Fed. Aid	Cash Cap.	Other
2023-2028 CIP	39.4%	22.7%	18.9%	19.0%	0.0%
2024-2029 CIP	36.0%	18.0%	24.0%	22.0%	0.0%

**Mandated vs. Non-Mandated**

	Mandated	Non-Mandated
2023-2028 CIP	25%	75%
2024-2029 CIP	28%	72%

**Projects to be authorized in fall 2023 (DEBT ONLY)**

\$\$ in 000's

	<b>Recommended Projects</b>	<b>Request</b>	<b>Recom. by Co. Exec.</b>
	<b>E-911</b>		
1	Building a new E911 Center Facility (pg 54)	\$1,000	OK
	<b>Sub Total</b>	<b>\$1,000</b>	
	<b>Facilities</b>		
1	Community Plaza Garage (pg 55)	\$2,450	OK
2	Courthouse - HVAC Renovations (pg 56)	\$2,000	OK
3	Erie Canal Museum Rehabilitation and Repairs.(NEW) (pg 57)	\$1,300	OK
4	Facilities Various Capital Improvements (pg 58)	\$500	OK
5	Oncenter Rehabilitations (pg 62)	\$500	OK
6	War Memorial Upgrades (pg 65)	\$5,210	OK
	<b>Sub Total</b>	<b>\$11,960</b>	
	<b>Parks</b>		
3	Onondaga Lake Park Marina Expansion and Rehabilitation (NEW) (pg 78)	\$13,700	OK
4	Parks Various Infrastructure Rehabilitation and Improvement (pg 79)	\$1,935	OK
	<b>Sub Total</b>	<b>\$15,635</b>	
<b>13</b>	<b>GENERAL FUND TOTAL</b>	<b>\$28,595</b>	
	<b>WEP</b>		
1	Camillus Force Main Replacement (pg 112)	\$25,000	OK
2	Comprehensive Asset Renewal at Metro WWTP (pg 118)	\$625	OK
3	Sewer Consolidation (pg 142)	\$9,500	OK
4	Wastewater Transportation System Improvements (pg 146)	\$1,820	OK
5	White Pine/Rt 31 Municipal Sewer Expansion (pg 152)	\$19,000	OK
	<b>Sub Total</b>	<b>\$55,945</b>	
<b>18</b>	<b>ALL FUNDS TOTAL</b>	<b>\$84,540</b>	

2024 projects seeking full authorization

- E911: \$1M for engineering
  - New center facility
  - Several years ago funding authorized to do study considering renovation and building in same campus or relocating
  - Funding is for engineering and design for relocating center at same facility county is building the Emergency Management headquarters on Electronics Parkway
  - Followed by construction funding, which is in CIP as placeholder; when engineering and design done
- Facilities Management
  - Community Plaza garage: ~\$2.5M
    - Old project in CIP for long time
    - Floor dilapidated and rebars holding structure are corroded; needs to be repaired
    - Floor is floating foundation, which holds weight of structure above it
    - Hydrostatic pressure on ground puts pressure on the floor and rebars, which is not good for structure
    - Years ago, engineers proposal was less expensive, but escalated estimation for inflation
  - Court House HVAC: \$2M
    - HVAC more than 50 years old
    - 2007 did repairs for 100<sup>th</sup> anniversary of court house; HVAC was part of it, but was not done
    - All HVAC systems are antique, hard to maintain and get parts
    - Approved \$400,000 for engineering and design, which was done
    - Approved \$1M for construction, which is starting to be spent
    - Asking for \$2M to be spent in 2024
    - 2025 - \$3M
    - 2026 - \$4M

- Erie Canal Museum: \$1.3M – spoke about earlier
- Facilities Various Projects: \$500,000
  - Ongoing projects – every year the department considers assets and what needs to be improved or repaired
- OnCenter Rehab: \$500,000
  - Ongoing and scope to be determined every year
- War Memorial: \$5.21M
- Parks
  - OLP Marina: \$13.7M
  - Various Projects: \$1.935M
    - Parks has scope for upcoming years; scope based on needs and priority
    - Items with high priority in upcoming year
- WEP
  - Camillus Force Main: \$25M
    - 7 mile long pipe connecting town and village of Camillus to west side pump station
    - Approved \$3.5M for project, which was used to fix ~20% of pipe
    - Inserted high density polyethylene pipe in existing pipe and now flows faster
    - Rest of pipe will be repaired with lining, so interior of pipe is smoother, flow is better
    - Will also repair manholes
    - \$12.5M in 2024
    - \$12.5M in 2025
  - Comprehensive asset renewal for Metro WWTP: \$625,000
    - 6 asset renewal projects – one for each WWTP
    - Use asset management system to determine what needs to be done, then talk with workforce and refine choices
  - Sewer consolidation: \$9.5M
    - Received authorization for this ongoing project in past
    - Funding for West End Pump Station; engineering ongoing
    - Construction for a new pump station
  - Wastewater transportation system improvement: \$1.82M
    - (Phase 1) Pump stations and force mains
    - (2) Trunk sewer (gravity pipes)
    - (3) Facilities
    - (4) Combined sewer overflow
    - (5) Emergency repairs
    - Seek authorization for 5<sup>th</sup> phase of emergency repairs, then do not seek authorization until the level gets low
  - White Pine/Rt. 31 expansion: \$19M
    - Previous authorization was for 1 pipe, but now based on new engineering, will build 2 pipes (18” & 16”)
    - Adding more infrastructure to service surrounding service area of Rt. 31
    - Received \$1.6M and \$16M for project
    - After engineering, estimated scope needed to be increased
  - Total request for WEP is \$55.9M
- Total request is \$84.5M

#### **Questions/Comments from the committee:**

- Is there anything that shows the history on constitutional debt limit?
  - Book is snapshot only showing the percentage as of August this year
  - Do have for previous years in graph
  - Gradient shows 0.7% increase, and it goes back to 2008
  - It is an average of 0.7% per year

#### **REQUEST: Graph showing history on constitutional debt**

- Confirm what the graph on the first page of CIP shows on the bottom
  - Bottom is scheduled debt, then authorized and unissued
  - If county issues the debt while planning CIP, that is debt service that will generate
  - Upper part is proposed future debt
    - It has not been authorized by Legislature and is proposed to be spent at certain time

- Will make legend bigger
  - If that happens, the debt service generated is represented
- Is there a timeline on the marina and an intention to have it complete?
  - Parks:
    - Looking at 2024 engineering; 2025 construction
- Will engineering improvements to the marina be completed by the end of this year?
  - WEP Finance:
    - Part of engineering for retaining wall is completed
    - Rest will be completed at the end of this year
  - Parks:
    - Will go into next year with engineering; funding will be approved first
    - Had previous funds that were used for the wall
  - Finance:
    - Will not start the project without funding authorized
- Please distinguish what the 2 parts of the project are
  - Parks:
    - Already done engineering on retaining wall - \$6M
    - Moving forward to do engineering for proposed project including parking lot, docks, fuel station
    - Once engineering complete, will move to construction
    - Goal is to not disrupt boating season by doing this from October – May
    - Total cost is \$13.7M, including retaining wall
- Water and metal do not get along, so how long will the retaining wall last?
  - Parks:
    - Current wall is stone that has been there since 1930s
    - Sheet piling will reinforce it even more; will be here longer than anyone here

The meeting was adjourned at 11:52 a.m.

Respectfully submitted,



JAMIE McNAMARA, Clerk  
Onondaga County Legislature

## ATTENDANCE

COMMITTEE: WAYS &amp; MEANS BUDGET REVIEW – DAY 3

DATE: SEPTEMBER 19, 2023

NAME (Please Print)	DEPARTMENT/AGENCY
Ted Jay	Parks/Zoo
Damian Pratt	DCFS/Hillbrook
Jennifer Agnelli	Fin Ops
Dinae Ward	Fin Ops
Don Weber	Tax
Jim Beebe	Leg
Jason Dean	Finance
Seamus Miller	Fin Ops
Carl Hummel	Personnel
Dan Mulvihill	Fin Ops
SHANNON MURPHY	WEP
David Snyder	WEP
Megan Murphy	WEP
ERIC SCHULER	WEP
Mark Hirota	PARKS
NAOER MAROW	
Penng Donahue	Fin Ops
Phil Britt	Comptrollers
MELISSA BERLINSKI	OCSO
JEREMY YOUNG	OCSO
Archie Wixson	facilities
Jessica Allen	FinOps
Rachel Bunkert	FINOPS
MARY ROSS	OCDO
Bri King	Parks
Kim Hall	Parks
Mark Conner	OCC